

MR. STEWART: Good afternoon. I'm Charles Stewart. I am the Mayor of Paonia. Paonia is a town of roughly 1600 people in the North Fork Valley in Delta County. In the past, we had three mines that were operating -- Oxbow Valley and West Elk. At that time, the payroll for the three mines was in excess of \$100 million. The one mine that is left, West Elk, is in Chapter 11. Payroll has dropped less than \$30 million. We have lost a very substantial amount of income from our community. Quite frankly, if you had the same kind of loss in Denver, there would be a tremendous political uproar. From the town's perspective, we were receiving \$115,000 a year from severance and mineral leasing revenue when all three mines were operating. We're projecting \$45,000 for this year. If, in fact, West Elk is not able to survive, that amount will drop even further. Well, people have to understand, we're a small town. Our general fund budget is \$651,000. When you lose \$115,000, you're losing 17 percent of your budget. You are looking at layoffs. We are a town that went from 19 fulltime employees down to 10 fulltime employees, four part-time employees. If, in fact, we have to layoff additional people, we're looking at losing Police Officers, sanitation workers. And we're going to have a difficult time providing basic services to our community. I think what people don't also know is that we receive a significant amount of money from the energy [indiscernible] fund. The EPA, through the State, ordered us to filter our water to upgrade our filtration process. That project would not have been possible without \$1 million grant from the Mineral Impact Assistance Fund. We are also right now in a position where we have an aging water infrastructure. The bottom line is, again, it is my money that is paying for the replacement of pipes. It is my industry that's cleaned our water, that bring waters to our -- water to our households. So, you need to keep that in mind. The impact of the mines -- a very positive impact of the mines is substantial. My hope is that we can find a way that the low sulfur, high-heat coal of the North Fork Valley can play a very significant role in the energy production of this country. Thank you.